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BLANCHARD, WALKER, O'QUIN & ROBERTS
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October 28, 2004

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Mailing Address:
P.O. Drawer 1126
Shreveport, LA 71163-1126

WM. TIMOTHY ALLEN, III
Direct: 318.934.0217
Email: tallen@bwor.com

RE: HEARING APPLICATION
Alternate Unit Wells
SMK C RC SUD in the
North Shongaloo-Red Rock Field and
SMK C RC SUC, SMK C RC SUE and SMK C RC SUF
in the Haynesville Field,
All in Claiborne Parish, Louisiana
Our File No. 340029.0373

Dear Sir:

On behalf of MARATHON OIL COMPANY, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Smackover C Zone, Reservoir C, in the North Shongaloo-Red Rock Field, and the Smackover C Zone, Reservoir C, in the Haynesville Field, Claiborne Parish, Louisiana:

NORTH SHONGALOO-RED ROCK FIELD

1. To permit the applicant to drill, designate and utilize two (2) additional alternate unit wells for SMK C RC SUD, at the locations shown on the attached plat or at any legal location within such unit.

HAYNESVILLE FIELD

2. To permit the applicant to drill, designate and utilize an additional alternate unit well for SMK C RC SUC, SMK C RC SUE and SMK C RC SUF, at the locations shown on the attached plat or at any legal location within such units.

NORTH SHONGALOO-RED ROCK AND HAYNESVILLE FIELDS

3. To explicitly find that the proposed alternate unit well is necessary to drain a portion of the Smackover C Zone, Reservoir C, in the North Shongaloo-Red Rock Field underlying SMK C RC SUD, which cannot be efficiently and economically drained by any existing well in such unit.
4. To explicitly find that the proposed alternate unit wells are necessary to drain a portion of the Smackover C Zone, Reservoir C, in the Haynesville Field underlying SMK C RC SUC, SMK C RC SUE and SMK C RC SUF, which cannot be efficiently and economically drained by any

existing well in such units.

5. To provide that the unit allowable for each of such units may be produced from either the unit well, the alternate unit wells, or any combination thereof, at the operator's discretion.
6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Smackover C Zone, Reservoir C, in the North Shongaloo-Red Rock Field, Webster and Claiborne Parishes, Louisiana, is fully defined in Office of Conservation Order No. 104-H-6, effective August 18, 1987.

The Smackover C Zone, Reservoir C, in the Haynesville Field, Claiborne Parish, Louisiana, was fully defined in Office of Conservation Order No. 35-N-2, effective February 24, 1988.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, 400 Texas Street, Suite 1400, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Wm. Timothy Allen III (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

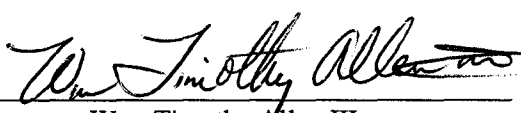
A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$3020.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III
Attorneys for Marathon Oil Company

WTAIII:bp
Enclosures

cc: Mr. James C. Broussard, Shreveport
District Manager, Office of Conservation
(w/enclosures)
cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)

